

Message Text

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ACTION SS-25

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S E C R E T JIDDA 1544

EXDIS

FOR UNDER SECRETARY SISCO

AMMAN FOR AMBASSADOR PICKERING

E.O. 11652: GDS
TAGS: PFOR, MASS, JO, SA, US
SUBJECT: HAWK/VULCAN DEFENSE FINANCING FOR JORDAN

REF (A) STATE 48170, (B) AMMAN 1089

SUMMARY: CHARGE MET WITH FONMIN PRINCE SAUD FEB 29
TO DISCUSS FINANCING OF AIR DEFENSE SYSTEM FOR JORDAN.
PRINCE SAUD SAID SAUDI ARABIA HAD BEEN GENEROUS TO
JORDAN, HAD MANY OTHER ASSISTANCE COMMITMENTS, AND
THAT JORDANIAN REQUEST THEREFORE WOULD NOT BE VERY
POPULAR WITH SAG. JORDAN NEED FOR ADDITIONAL FINANCING
WOULD BE DISCUSSED BY COUNCIL OF MINISTERS, BUT HE DID
NOT WANT CHARGE TO LEAVE WITH EXPECTATION SAG'S ANSWER
WOULD BE POSITIVE. HE SUGGESTED U.S. PROVIDE ADDITIONAL
FINANCING JORDAN NEEDED, BUT SEEMED TO ACCEPT OUR REASONS
WHY THIS COULD NOT BE DONE. HE WAS CONCERNED ABOUT
THE SECURITY IMPLICATIONS OF A MAJOR SOVIET WEAPON
SYSTEM IN JORDAN. HE URGED WE MAKE CLEAR TO KING
HUSSEIN HOW UNDESIREABLE THIS WOULD BE. HE SAID,
HOWEVER, THAT IF KING HUSSEIN WENT AHEAD DESPITE
EVERYTHING, AND BOUGHT AN AIR DEFENSE SYSTEM FROM
THE USSR, HE THOUGHT THE SAG WOULD PROBABLY NOT RPT NOT WELCH

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ON ITS OFFER OF \$300 MILLION, NOR WOULD IT RETALIATE

IN SOME OTHER WAY AGAINST JORDAN. SAUD WILL INFORM US SOON -- EITHER ORALLY OR IN WRITING -- OF HMG'S RESPONSE TO CHARGE'S PRESENTATION. END SUMMARY.

1. I HAD AN HOUR'S MEETING WITH FONMIN PRINCE SAUD AL FAISAL IN RIYADH EVENING OF FEB 29. PER ROYAL PROTOCOL, PRINCE FAHD WOULD NOT HAVE BEEN AVAILABLE THAT DAY OR FOLLOWING ONE. SUCCESSION OF IMMEDIATELY FOLLOWING COMMITMENTS WITH SECRETARY SIMON PREVENTED REPORTING SAME DAY.

2. I DISCUSSED WITH SAUD PARAS 2A-D OF DEPARTMENT'S REFTEL. IN CONCLUSION I SAID OUR CONCERN OVER THESE DEVELOPMENTS HAD ESPECIALLY TO DO WITH CONSEQUENCES THAT INTRODUCTION OF A COMPLEX SOVIET WEAPON SYSTEM, AND SOVIET ADVISORS WOULD HAVE ON THE STABILITY AND SECURITY OF A COUNTRY TOWARD WHICH WE HAD VERY SIMILAR INTERESTS.

3. PRINCE SAUD SAID THAT AS USG KNEW, SAUDI OFFER OF ASSISTANCE TO JORDAN FOR AIR DEFENSE WAS OF LONG STANDING. ORIGINAL ESTIMATE WAS THAT SYSTEM WOULD COST \$275 MILLION. ACCORDINGLY, SAG HAD AUTHORIZED SOMEWHAT GREATER SUM OF \$300 MILLION FOR JORDAN'S AIR DEFENSE. HE SAID THIS AMOUNT OF COURSE WAS IN ADDITION TO VERY GENEROUS ASSISTANCE OF VARIOUS KINDS SAUDI ARABIA WAS ALREADY GIVING JORDAN. IT HAD NEVER BEEN COUNCIL OF MINISTER'S INTENTION MOREOVER THAT ASSISTANCE TO JORDAN'S AIR DEFENSE SHOULD BE AN OPEN-ENDED COMMITMENT. SAUDI ARABIA HAD MANY OTHER PRESSING FINANCIAL AID RESPONSIBILITIES -- TO EGYPT, YEMEN AND NUMEROUS OTHER STATES. HE SUGGESTED JORDAN SHOULD TAKE ITS \$300 MILLION AND SEE WHAT COULD BE DONE WITH IT, PERHAPS WITH THE ADDITION OF SOME OTHER JORDANIAN RESOURCES. HE SUGGESTED IT WOULD BE APPROPRIATE FOR USG TO PROVIDE THE BRIDGING AID NEEDED. I REPLIED WITH PARAS 2E AND 2J OF DEPARTMENT'S REFTEL. SAUD ACCEPTED THE UNLIKELIHOOD THAT CONGRESS WOULD APPROVED LARGE AMOUNTS OF GRANT AID TO JORDAN IN ADDITION TO HAVING APPROVED SALE OF FOURTEEN BATTERIES OF IMPROVED HAWKS.

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4. PRINCE SAUD THEN COMPLAINED ABOUT CONTINUAL COST OVER-RUNS ON U.S. MILITARY EQUIPMENT. EVERY NATION HE AGREED NEEDED AN AIR DEFENSE SYSTEM, BUT WHEN A NATION HAD SO MANY OTHER NEEDS, MILITARY AND OTHERWISE, MAYBE IT SHOULD MAKE SOME TOUGH DECISIONS ABOUT WHAT IT COULD AFFORD. (HE DID NOT SPECIFICALLY SUGGEST JORDAN CUT BACK ON NUMBER OF BATTERIES, HOWEVER.) I REMARKED

TO SAUD THAT THE CASE FOR AN AIR DEFENSE SYSTEM FOR JORDAN -- IN TERMS OF JORDAN'S MILITARY NEEDS, AND THE DEMANDS OF MILITARY AND PUBLIC OPINION -- WAS UNDOUBTEDLY VERY PRESSING. SAUD AGREED, BUT SAID THE SAG WON'T LIKE BEING HANDED SOMETHING BY KING HUSSEIN WHICH -- HOWEVER IT IS PHRASED -- WILL SOUND TO SOME PEOPLE LIKE A THREAT OF PRESSURE. HE THOUGHT SOME IN THE SAUDI GOVERNMENT WOULD URGE KING HUSSEIN TO BUY A WEAPON SYSTEM FROM THE SOVIETS IF HE FEELS THAT WAY. I EMPHASIZED TO SAUD THAT HUSSEIN HAD EXPRESSED HIS APPRECIATION FOR SAUDI ARABIA'S GENEROSITY BUT THAT HE FACED DILEMMA OF HOW TO GET THE AIR DEFENSE SYSTEM JORDAN NEEDED, WITHIN THE LIMITS OF THE COUNTRY'S FINANCIAL MEANS.

5. PRINCE SAUD SAID THAT BEFORE HUSSEIN BOUGHT A WEAPON SYSTEM FROM THE USSR, HE SHOULD BE AWARE OF THE PREVIOUS SORRY EXPERIENCE OF OTHER ARAB STATES THAT ONCE UPON A TIME BELIEVED THE USSR MIGHT BE THE ANSWER TO THEIR DREAMS OF MILITARY DEVELOPMENT. IF HUSSEIN DID NOT KNOW THIS, THE USG SHOULD MAKE THE FACTS CLEAR TO HIM. THE USG SHOULD ALSO MAKE CLEAR TO HUSSEIN THE THREAT THAT HUNDREDS OF SOVIET ADVISORS WOULD REPRESENT FOR HIM AND FOR REGIONAL STABILITY. I ASSURED PRINCE SAUD THAT ALL HE SUGGESTED WAS BEING DONE AND ADDED THAT IF WE WERE NOT TRULY CONCERNED ABOUT THE SERIOUS DILEMMA FACING KING HUSSEIN I WOULD NOT HAVE ASKED TO SEE HIM ON SUCH SHORT NOTICE.

6. PRINCE SAUD SAID THE QUESTIONS I HAD RAISED WOULD BE DISCUSSED BY THE COUNCIL OF MINISTERS, BUT HE WOULD NOT RPT NOT WANT ME TO GO AWAY WITH THE SECRET

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EXPECTATIONS THAT THE SAG'S ANSWER WOULD BE POSITIVE. I ASKED AS A PERSONAL SUGGESTION, IF THE SAG MIGHT CONSIDER USING ITS GOOD OFFICES WITH OTHER GULF STATES ON JORDAN'S BEHALF. PRINCE SAUD WAS UN-ENTHUSIASTIC.

7. I ASKED SAUD IF HE COULD GIVE ME ANY MORE CLEAR IDEA OF WHAT THE SAG REACTION WOULD BE IF JORDAN WENT AHEAD AFTER ALL AND BOUGHT AN AIR DEFENSE SYSTEM FROM THE USSR. SWITCHING INTO ENGLISH HE ASKED, "YOU MEAN WOULD WE WITHDRAW OUR OFFER OF \$300 MILLION TOWARD JORDAN'S AIR DEFENSE NEED, OR RETALIATE IN SOME OTHER WAY AGAINST JORDAN? NO, I DON'T THINK SO." HE SAID HE WOULD BE REPLYING SOON EITHER ORALLY OR BY LETTER TO THE POINTS I HAD RAISED. HE MIGHT AT THAT TIME BE PREPARED

TO DISCUSS WAYS OF U.S.-SAUDI COOPERATION ON THIS
ISSUE. SAUD DID NOT ASK WHAT WE MIGHT DO IN THE
FACE OF THE FEB 29 DEADLINE. HE WAS PROBABLY NOT
UP TO DATE ON THIS ASPECT OF THE ISSUE AND IN THE
AIDE MEMOIRE I LEFT WITH HIM I INCLUDED A STATEMENT
SUMMARIZING MY COMMUNICATION OF FEB 24 WITH MINISTER
OF FINANCE ABA KAHIL (JIDDA 1380).
HORAN

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